

## **REMARKS/ARGUMENTS**

Claims 1-8, 16-23, and 31-38 are pending. Claims 9-15, 24-29, and 39-46 were withdrawn from consideration. Claim 30 was canceled. In the previous Office Action, claims 1, 16, and 31 were rejected under 35 U.S.C. 103(a) as being unpatentable over Tahara (6,560,282). In light of Applicant remarks in the previous Office Action Response, the Examiner is now providing new grounds of rejection. Claims 1-8 and 16-23 are now rejected under 35 U.S.C. 101 as the processes now require “ties to a particular apparatus/structure.” Base claims 1, 16, and 31 have been amended to recite “at an MPEG-2 transcoder” to tie a process to a particular apparatus/structure. The rejection under 35 U.S.C. 101 to base claims 1, 16, and 31 is believed overcome.

Claims 1, 6, and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tahara. Claims 2-8, 17-23, and 32-38 are objected to as being dependent upon rejected base claims 1, 16, and 31, but would be allowable if amended to incorporate base and intervening claims limitations and provided 35 U.S.C. 101 objections are overcome.

Tahara describes an MPEG encoder that receives “past encoding parameters” generated at a past encoding process. Encoding parameters used during multiple generations of encoding are stored in a decoding history to allow minimal picture change “even if encoding and decoding processes are carried out repeatedly by the transcoder” (Abstract, Figures 14-15). “Since conventional encoding and decoding processes based on the MPEG standard are not 100% reverse processed, the picture quality deteriorates each time encoding and decoding processes are carried out as is generally known. In such a case, encoding parameters such as the quantization scale, the motion vector and the prediction mode are not merely re-computed in the encoding process of the third generation. Instead, the encoding parameters such as the quantization scale, the motion vector and the prediction mode generated in the encoding process of the first generation are re-utilized... Thus, by re-utilizing the encoding parameters generated in the encoding process of the first generation, it is possible to lower the degree to which the picture quality deteriorates even if the encoding and decoding processes are carried out repeatedly”(Two paragraphs before the beginning of the Figure 16 description). Tahara describes a technique that decreases picture degradation associated with each encoding and decoding process.

By contrast, the independent claims recite “examining a source video stream to determine if a `sequence_display_extension` follows the most recent sequence header and sequence extension.” The material the Examiner cited merely mentions the “`sequence_display_extension`” as an item in a history stream. However, the material the Examiner cited does not teach or suggest determining if the “`sequence_display_extension` follows the most recent sequence header and sequence extension”

Furthermore, the independent claims recite “confirming that `horizontal_size` is greater than `display_horizontal_size` or that `vertical_size` is greater than `display_vertical_size`.” Although Tahara does not teach or suggest this element, the Examiner argues that it would be obvious to one of skill in the art to create a reformatted stream by recognizing that the horizontal/vertical size is greater than the display horizontal/vertical size to meet the required bandwidth limitation. However, in order to make this argument, there must be some motivation in Tahara or elsewhere to combine Tahara with the idea to create a reformatted stream by recognizing the difference in sizes. It is respectfully submitted that Tahara does not provide such a motivation. Tahara emphasizes that its technique does not cause picture degradation. That is, repeated encoding and decoding will lead to substantially the same picture.

Nonetheless, to facilitate prosecution, aspects of the allowable dependent claims have been incorporated into the independent claims. Although not all recitations have been incorporated, the independent claims are now believed to be in allowable form. The independent claims have been amended to variably recite “reducing the content of said source stream to create a reformatted stream by substituting into said reformatted stream a portion of `new_horizontal_size` for `horizontal_size` and a portion of `new_vertical_size` for `vertical_size`, and substituting into said reformatted stream a portion of `new_horizontal_size` for `horizontal_size` extension and a portion of `new_vertical_size` for `vertical_size` extension.” None of the cited materials is believed to teach or suggest this recitation. Dependent claims 2, 17, and 32 have been amended to adjust for the independent claim amendments.

In light of the above remarks relating to the independent claims, the remaining dependent claims are believed allowable for at least the reasons noted above. Applicants believe that all pending claims are allowable and respectfully request a Notice of Allowance for this application from the Examiner. Should the Examiner believe that a telephone conference would expedite the

prosecution of this application, the undersigned can be reached at the telephone number set out below.

Respectfully submitted,  
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